

**EXECUTIVE SECRETARIAT**

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OLL				
14	D/PAO				
15	VC/NIC				
16	NI0/Econ		X		
17	D/OGI/DI		X		
18	ES (file)		X		
19					
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22					
SUSPENSE		_____ Date			

Remarks

STAT

Executive Secretary

31 Oct 85

Date

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BOK-107  
Executive Registry85-  
4283THE WHITE HOUSE  
WASHINGTON

## CABINET AFFAIRS STAFFING MEMORANDUM

Date: 10/30/85

Number: \_\_\_\_\_

Due By: \_\_\_\_\_

Subject: Economic Policy Council Meeting -- Thursday, October 31,

3:00 P.M. -- Roosevelt Room

ALL CABINET MEMBERS	Action	FYI		Action	FYI
Vice President	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CEA	<input checked="" type="checkbox"/>	<input type="checkbox"/>
State	<input checked="" type="checkbox"/>	<input type="checkbox"/>	CEQ	<input type="checkbox"/>	<input type="checkbox"/>
Treasury	<input checked="" type="checkbox"/>	<input type="checkbox"/>	OSTP	<input type="checkbox"/>	<input type="checkbox"/>
Defense	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Justice	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Interior	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Agriculture	<input checked="" type="checkbox"/>	<input type="checkbox"/>	McFarlane	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Commerce	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Svahn	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Labor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Chew (For WH Staffing)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
HHS	<input type="checkbox"/>	<input type="checkbox"/>	HICKS	<input type="checkbox"/>	<input checked="" type="checkbox"/>
HUD	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Chief of Staff	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OMB	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Executive Secretary for:	<input type="checkbox"/>	<input type="checkbox"/>
<u>CIA</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	DPC	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
UN	<input type="checkbox"/>	<input type="checkbox"/>	EPC	<input type="checkbox"/>	<input type="checkbox"/>
USTR	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
GSA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
EPA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
NASA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
OPM	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
VA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
SBA	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

## REMARKS:

The Economic Policy Council will meet Thursday, October 31, at 3:00 P.M. in the Roosevelt Room.

The agenda and background paper are attached.

## RETURN TO:

☒ Alfred H. Kingon  
Cabinet Secretary  
456-2823  
(Ground Floor, West Wing)

☐ Don Clarey  
☐ Rick Davis  
☐ Ed Stucky

Associate Director

THE WHITE HOUSE

WASHINGTON

October 30, 1985

MEMORANDUM FOR THE ECONOMIC POLICY COUNCIL

FROM: EUGENE J. McALLISTER *EM*

SUBJECT: Agenda and Paper for the October 31 Meeting

The agenda and paper for the October 31 meeting of the Economic Policy Council are attached. The meeting is scheduled for 3:00 p.m. in the Roosevelt Room.

The first agenda item will be a discussion of a Commission on Trade. A Working Group has been examining a number of questions with regard to such a commission, including its mandate and membership. A memorandum from the Working Group is attached.

The second agenda item will be Canadian lumber. The Council briefly considered the issue at its October 24 meeting. That discussion will be continued. The Council will use the paper distributed for the October 24 meeting.

Attachments

THE WHITE HOUSE

WASHINGTON

ECONOMIC POLICY COUNCIL

October 31, 1985

3:00 p.m.

Roosevelt Room

AGENDA

1. Commission on Trade
2. Canadian Lumber

THE WHITE HOUSE

WASHINGTON

October 29, 1985

MEMORANDUM FOR THE ECONOMIC POLICY COUNCIL

FROM: THE WORKING GROUP ON TRADE COMMISSION

SUBJECT: Possible Structure of Trade Commission

At its September 20 meeting, the Council approved the concept of a bipartisan presidential commission on international trade and economic policy and requested that a working group further develop the necessary details. An interagency working group has met on numerous occasions and has developed the following recommendations on how the commission might be structured. It also briefly notes how particular issues were addressed by several past commissions, including: President's Commission on Industrial Competitiveness (referred to as "Competitiveness"), Commission on International Trade and Investment Policy ("Williams"), National Commission on Excellence in Education ("Education"), National Commission on Social Security Reform ("Social Security"), and President's Commission on Strategic Forces ("Scowcroft").

POLICY OBJECTIVES

The structure of the commission should reflect the following objectives that guided the Council's approval of the concept of establishing a commission.

- o A commission should help build a broad consensus in both the private sector and the Congress on future U.S. trade and international economic policy.
- o A commission should generate new ideas for improving the effectiveness of U.S. trade and international economic policy.
- o A commission should help defuse protectionist pressures in the Congress.

PROPOSED STRUCTURE OF THE COMMISSION

1. Title

Recommendation: The President's Commission on International Trade and Economic Policies

2. Mandate

The mandate of the commission could be either general or specific. A general mandate would provide the commission the flexibility to adapt to changing conditions that could take place over the life of the commission. A specific mandate could focus the efforts of the commission on issues where new analysis would be most useful.

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Recommendation: That the mandate be general and comprise the following elements:

- o To identify the major trends and changes which are taking place in the international economy.
- o To assess the adequacy of U.S. trade laws in responding to the major trends taking place in the international economy and recommend changes, if any, to the U.S. trade laws.
- o To assess the efficacy of the GATT in meeting U.S. interests and in promoting a free and fair world trading system, and to evaluate the scope and coverage of the GATT and its flexibility in adapting to the dynamics of world trade.
- o To determine what can be done to ensure that U.S. economic policies, both domestic and international, as well as U.S. efforts in international fora, contribute as much as possible to growth and price stability in the U.S. and world economies.
- o To identify the displacements which are likely to occur within the U.S. economy in response to international trading trends and to make recommendations for policies to facilitate adjustment.

### 3. Timing

The timing of the final report of the commission should reflect the need to provide the commission sufficient time to analyze carefully complex issues, the need to underscore the bipartisan nature of the commission such that the report would not be due until well after the 1986 Congressional elections, and the probability that it will take several months simply to start the commission (selecting and clearing members and hiring staff).

Recommendation: That the President direct the commission to issue a final report eighteen months after its establishment.

Competitiveness: 18 months  
Williams: 14 months  
Education: 18 months  
Social Security: 12 months  
Scowcroft: 3 months

### 4. Method of Establishing Commission

Recommendation: That the President establish the commission through an executive order specifying: its mandate, the date by which it should issue a final report, its membership, its staffing, its source of funding, and how it will report its recommendations.

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## 5. Membership

Recommendation: That the commission include about 21 private sector members from the following groups: management (high technology, services, basic manufacturing), labor, agriculture, consumers, state government, and the academic community.

Issue: Should the commission include members of Congress?

Option 1: Include six members of Congress (three Republicans and three Democrats) in addition to the 21 private sector members on the commission.

### Advantages

- o Having members of Congress on the commission may provide Congress reason for deferring action on the trade front until the commission makes its report.
- o Including the appropriate members of Congress in the commission would involve those individuals who can deliver if the Administration decides to press for legislative initiatives.

Option 2: Not include members of Congress on the Commission, but consult with the Congress on the membership.

### Advantages

- o Not including members of Congress in the commission would avoid the risk that these members would press for legislative action that the Administration may not want if the trade problem diminishes over the life of the commission.

Competitiveness: Did not include members of Congress.

Williams: Did not include members of Congress.

Education: Did not include members of Congress.

Social Security: Did include 7 members of Congress.

Scowcroft: Did not include members of Congress.

## 6. Chairman

Recommendation: That the President appoint as chairman an individual with a national and international reputation with an appreciation of the government process and limitations.

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### ADDITIONAL ISSUES TO BE ADDRESSED

Some additional issues that will have to be addressed before the commission is established include:

#### Staffing

Whether the commission staff should be relatively large or small and whether the staff should generally be drawn from executive branch departments and agencies or from outside the government.

#### Funding

How much funding to provide the commission and what the source or sources of funding should be.

#### Location

Whether to locate the commission within the Executive Office of the President complex (Old Executive Office Building/New Executive Office Building/Jackson Place) or elsewhere.

#### Committees

Whether the commission should be divided into committees.

#### Public Hearings

Whether the commission should hold public hearings around the country.

#### Commission Recommendations

Ideally, the commission would make its recommendations to the President in one report at the end. However, there is a possibility that the commission may wish to make interim reports.